

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

6. numbers of total admissions and discharges and numbers of admissions and discharges by priority population for each program area (semi-annually);
7. total numbers of active cases by priority population for each program area as of the last day of the term of this contract and closed cases by priority population for each program area during the term of this contract (annually);
8. provider performance and consumer measures specified in Attachment 5.5.5.1 to this contract;
9. consumers receiving and expenses for atypical and all anti-psychotic medications (semi-annually);
10. community waiting list information for the Comprehensive State Plan (annually);
11. State Facility Discharge Waiting List Data Base reports using ACCESS software supplied by the Department;
12. Federal Balance Report (October 31);
13. PACT and PATH reports (second, third, and fourth quarters); and
14. Uniform Cost Report (annually).

**5.7.3 Participation in Department Information Systems:** The Board shall supply information to the following Department information systems: the Forensics Information Management System (FIMS) and the Performance-Based Prevention System.

**5.7.4 Subsequent Reporting Requirements:** The Board shall work with the Department to ensure that current data and reporting requirements are consistent with each other and the current Core Services Taxonomy, Individualized Client Data Elements (ICDE), and TEDS and other federal reporting requirements. The Board also shall work with the Department in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that such requirements are consistent with the current Core Services Taxonomy, ICDE, and TEDS and other federal reporting requirements.

### **5.8 PRIORITY POPULATIONS**

**5.8.1 Purposes:** Priority populations provide the conceptual framework to track, monitor, and describe the use of performance contract funds for serving individuals in these populations and to identify those individuals who will be included in consumer outcome and provider performance measurement activities.

**5.8.2 Screening Instruments:** The Board shall use the Priority Population Screening or Classification Instruments in Attachment 5.8 to this contract to screen all new consumers enrolled in service for membership in a priority population. The Board may use an automated data collection system to gather this information, as long as the system can produce reports that display the information in the same format and order as the instruments in Attachment 5.8.

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

**5.8.3 Service Provision:** The Board shall ensure that individuals in priority populations receive needed services as expeditiously as possible. However, being in a priority population does not establish any legal entitlement to services on behalf of an individual or any mandate for the Board to provide services to the person.

**5.8.4 Tracking and Reporting:** The Board shall monitor, track, and report on priority populations as part of its automated information system. The Board shall report revenue, expense, service, and consumer information about priority populations, including items identified in section 5.7.2 of this contract, to the Department, pursuant to § 37.1-198 of the *Code of Virginia*.

**5.9 Discharge Assistance Project Participation:** The Board shall adhere to provisions of the Discharge Assistance Project (DAP) Procedures in Attachment 5.9.1 to this contract, if it participates in any DAP funded by the Department. If the Board's participation in the DAP causes it to be out of compliance with the minimum 10 percent local matching funds requirement in § 37.1-199 of the *Code of Virginia*, the Department shall grant an automatic waiver of that requirement, related to the DAP funds, as authorized by that *Code* section and State Board Policy 4010.

## **6.0 Board Requirements**

**6.1 Local Governance:** The Board shall be constituted legally, in accordance with §§ 37.1-195 and -196 or -244 and -245 of the *Code of Virginia*, and its operation shall be governed by a set of bylaws that is reviewed and updated at least every four years. The Board shall provide information about the members of the Board in Attachment 6.1 to this contract. The Board shall also include a copy of its current organization chart with Attachment 6.1. The organization chart should include the following levels:

- local government(s) that established the Board,
- the Board,
- board committees (which should match those in the bylaws),
- executive director/administration,
- program area (MH, MR, SA) directors/programs/services, and
- contract agencies/programs (where applicable).

If the Board implements a major reorganization during the term of this contract, it shall submit a new organization chart to the Office of Community Contracting in the Department in a timely manner. A major reorganization significantly changes the Board's relationship with local government, the Board itself, the executive director/administration, or senior clinical management.

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

### **6.2 Board Administrative Requirements**

**6.2.1 Board of Directors Administrative Requirements:** The board of directors shall maintain a formal record of its actions in written minutes. The Board shall provide copies of its meeting minutes and announcements, long range plans, and annual reports to the Office of Community Contracting in the Department as they are distributed publicly.

**6.2.2 Performance Contract Process:** The Board shall follow the procedures and satisfy the requirements in the Performance Contract Process, contained in Attachment 6.2.2 to this contract.

**6.2.3 Planning:** The Board shall participate in collaborative local and regional service and management information systems planning with state facilities, other Boards, other public and private human services agencies, and the Department, as appropriate. In accordance with § 37.1-197 of the *Code of Virginia*, the Board shall provide input into long-range planning activities conducted by the Department, including the Comprehensive State Plan, required by § 37.1-48.1 of the *Code of Virginia*. The Board shall report unduplicated community waiting list information to the Department when required for the Comprehensive State Plan update, but no later than May 30 of this contract term. The Board shall develop its annual Comprehensive Community-Based Prevention Plan based on guidance in the Community-Based Prevention Planning Resource Manual (January, 1996) issued by the Department and submit its plan to the Department for review and approval.

**6.2.4 Participation in State Facility Planning Activities:** The Board shall participate in collaborative planning activities with the Department to the greatest extent possible regarding the future role and structure of the state facility system.

**6.2.5 Providing Information:** The Board shall provide any information requested by the Department that is related to performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of the information requested.

### **6.3 Compliance with State and Federal Statutes, Regulations, and Requirements**

**6.3.1 General Compliance Requirements:** In order to receive state general and federal funds, the Board shall comply with all applicable federal, state, and local laws and administrative rules and regulations. If any laws, administrative rules or regulations that become effective after the execution date of this contract substantially change the nature and conditions of this contract, they shall be binding upon the parties, but the parties retain the right to exercise any remedies available to them by law or other provisions of this contract.

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

**6.3.2 State Compliance Requirements:** The Board shall comply with applicable state statutes and regulations, State Board regulations and policies, and Department procedures including:

1. Community Mental Health, Mental Retardation and Substance Abuse Services, §§ 37.1-194 through -202.1 of the *Code of Virginia*;
2. State and Local Government Conflict of Interests Act, §§ 2.2-3100 through -3127 of the *Code of Virginia*;
3. Virginia Freedom of Information Act, §§ 2.2-3704 through -3712 of the *Code of Virginia*, including its notice of meeting and public meeting provisions;
4. Government Data Collection and Dissemination Practices Act, §§ 2.2-3800 through -3809 of the *Code of Virginia*;
5. Virginia Public Procurement Act, §§ 2.2-4300 through -4377 of the *Code of Virginia*;
6. Disclosure of Patient Information to Third Party Payors by Professionals, §§ 37.1-225 through -233 of the *Code of Virginia*;
7. Substance Abuse Services, §§ 37.1-203 through -224 of the *Code of Virginia*;
8. Early Intervention Services System, §§ 2.2-5300 through -5308 of the *Code of Virginia*, if the Board receives early intervention (Part C) state funds;
9. Other applicable provisions of Title 37.1 and other Titles of the *Code*;
10. *Discharge Planning Protocols*; and
11. Applicable provisions of the current Appropriation Act.

**6.3.3 Federal Compliance Requirements:** The Board shall submit signed copies of pages 2 and 3 of Attachment 6.3.3. The Board shall comply with all applicable federal and state statutes, regulations, policies, and other requirements, including those in Attachment 6.3.3 to this contract, and:

1. the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder as they become effective;
2. the Federal Immigration Reform and Control Act of 1986;
3. applicable regulations and rules associated with the Substance Abuse Prevention and Treatment Block Grant (e.g., 45 CFR Part 96);
4. applicable rules and regulations associated with the Mental Health Federal Block Grant;
5. Public Law 103-227, the Pro-Children Act of 1994, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee;
6. applicable provisions of Public Law 105-17, Part C of the Individuals with

## SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities

Disabilities Education Act, if the Board receives state and federal early intervention (Part C) funds; and

7. Confidentiality of Alcohol and Substance Abuse Records, 42 C.F.R. Part 2.

The Board shall prohibit the following acts by the Board, its employees, and agents performing services for it:

1. the unlawful or unauthorized manufacture, distribution, dispensation, possession or use of alcohol or other drugs; and
2. any impairment or incapacitation from the use of alcohol or other drugs (except the use of drugs for legitimate medical purposes).

**6.3.4 Disaster Response and Emergency Service Preparedness Requirements:** The Board agrees to comply with section 416 of Public Law 93-288 and §§ 44-146.13 through 146.28 of the *Code of Virginia* regarding disaster response and emergency service preparedness. Section 416 of P.L. 93-288 authorizes the State Office of Emergency Services to require the Department to comply with the *Virginia Emergency Operations Plan, Annex II-F: Crisis Counseling and Emergency Mental Health Services for Victims of Peacetime Disasters*. Annex II-F requires Boards to comply with Department directives coordinating disaster responses to emergencies and to develop procedures for responding to major disasters. These procedures must address:

1. conducting preparedness training activities;
2. designating staff to provide counseling;
3. coordinating with state facilities in preparing Board emergency preparedness plans;
4. providing crisis counseling and support to local agencies, including volunteer agencies;
5. negotiating disaster response agreements with local governments and state facilities; and
6. identifying community resources.

### 6.4 Procurement Requirements, Policies, and Procedures

**6.4.1 Procurement Policies and Procedures:** The Board shall have written procurement policies and procedures in effect that address internal procurement responsibilities, small purchases and dollar thresholds, ethics, and disposal of surplus property. Written procurement policies and procedures relating to vendors shall be in effect that address how to sell to the Board, procurement, default, and protests and appeals. All written policies and procedures must conform to the Virginia Public Procurement Act and the current Community Services Procurement Manual issued by the Department.

**6.4.2 Procurement Manual:** The Board shall be in material compliance with the requirements contained in the current Community Services Procurement Manual issued by the Department.

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

**6.4.3 Department Review:** The Department may conduct a review of the Board's procurement activities at any time during the term of this contract. The review will include a sampling of Board subcontracts. The Board shall submit a formal plan of correction to the Office of Administrative Services in the Department within 45 days of receipt of the official report of a review. Minor compliance issues must be corrected within 45 days of submitting the plan. Action to correct major compliance issues must be initiated within 45 days and completed within 180 days of submitting the plan, unless the Department grants a written waiver.

### **6.5 Financial Management Requirements, Policies, and Procedures**

**6.5.1 Generally Accepted Accounting Principles:** The financial management and accounting system must operate and produce financial statements and reports in accordance with Generally Accepted Accounting Principles. It must include necessary personnel and financial records and a fixed assets system. It must provide for the practice of fund accounting and adhere to cost accounting guidelines issued by the Department.

**6.5.2 Accounting:** The Board shall account for all service and administrative expenses accurately and submit timely reports to the Department to document these expenses. The Board shall submit the Uniform Cost Report for SFY 2002 in a form and format defined in the Uniform Cost Report Manual issued by the Department, pursuant to § 37.1-198 of the *Code of Virginia*, to the Office of Financial Reporting and Compliance by December 31 or within 60 days after the Board receives the report of its audit, if that is later.

**6.5.3 Annual Independent Audit:** The Board shall obtain an annual audit conducted by independent certified public accountants. Audited financial statements shall be prepared in accordance with generally accepted accounting principles. The appropriate GAAP basis financial reporting model is the Health Care Organizations Guide produced by the American Institute of Certified Public Accountants. Copies of the audit and the accompanying management letter must be provided to the Office of Financial Reporting and Compliance in the Department and to each local government that established the Board. The Board shall, to the extent practicable, obtain an unqualified audit opinion. Deficiencies and exceptions noted in the audit or management letter must be resolved or corrected within a reasonable period of time, mutually agreed upon by the Board and the Department. If it is not included in a city or county government audit, the Board must publish a statement of financial condition in a local newspaper, pursuant to § 30-140 of the *Code of Virginia*.

**6.5.4 Federal Audit Requirements:** When federal grants are subgranted to the Board by the Department, all federal government audit requirements must be satisfied.

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

- 6.5.5 Subcontractor Audits:** The Board shall obtain, review, and take any necessary actions on audits, which are required by the Financial Management Standards for Community Services Manual issued by the Department, of any subcontractors that provide services that are procured under the Virginia Public Procurement Act and included in this contract and provide copies of these audits to the Office of Financial Reporting and Compliance in the Department.
- 6.5.6 Bonding:** Employees with financial responsibilities shall be bonded in accordance with local financial management policies.
- 6.5.7 Fiscal Policies and Procedures:** The Board's written fiscal policies and procedures shall conform to applicable State Board policies and Departmental policies and procedures, contained in the Financial Management Standards for Community Services Manual issued by the Department.
- 6.5.8 Financial Management Manual:** The Board shall be in material compliance with the requirements in the current Financial Management Standards for Community Services Manual issued by the Department.
- 6.5.9 Local Government Approval:** The Board shall submit this contract to the local government(s) in its service area for review and approval, pursuant to § 37.1-198 of the *Code of Virginia* that requires approval of the contract by September 15. The Board shall submit this contract to the local governing body of each political subdivision that established it in accordance with the schedule determined by the governing body or at least 15 days before the meeting at which the governing body is scheduled to consider approval of this contract. The Board shall complete page 2 of Attachment 6.5.9 to document local government approval of this contract. Unless prohibited from doing so by its local government(s), the Board may submit this contract to the Department before it is approved by its local government(s).
- 6.5.10 Department Review:** The Department may conduct a review of the Board's financial management activities at any time during the term of this contract. The Board shall submit a formal plan of correction to the Office of Financial Reporting and Compliance in the Department within 45 days of receipt of the official report of a review. Minor compliance issues must be corrected within 45 days of submitting the plan. Action to correct major compliance issues must be initiated within 45 days and completed within 180 days of submitting the plan, unless the Department grants a written waiver.

### **6.6 Reimbursement Requirements, Policies, and Procedures**

- 6.6.1 Reimbursement System:** The Board's reimbursement system shall comply with §§ 37.1-197, 37.1-202.1, and 20-61 of the *Code of Virginia*. Its operation must be

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

described in organizational charts identifying all staff members, flow charts, and specific job descriptions for all personnel involved in the reimbursement system.

**6.6.2 Policies and Procedures:** Written fee collection policies and procedures shall be adequate to maximize revenues from consumers and responsible third party payors.

**6.6.3 Schedule of Charges:** A schedule of charges shall exist for all services that are supported with performance contract funds, be related reasonably to the cost of the services, and be applicable to all recipients of the services.

**6.6.4 Ability to Pay:** A method, approved by the Board's board of directors, that complies with applicable state and federal regulations shall be used to evaluate the ability of each consumer to pay fees for services received.

**6.6.5 Reimbursement Manual:** The Board shall be in material compliance with the requirements in the current Community Services Reimbursement Manual issued by the Department.

**6.6.6 Department Review:** The Department may conduct a review of the Board's reimbursement activities at any time during the term of this contract. The Board shall submit a formal plan of correction to the Office of Cost Accounting and Reimbursement in the Department within 45 days of receipt of the official report of a review. Minor compliance issues must be corrected within 45 days of submitting the plan. Action to correct major compliance issues must be initiated within 45 days and completed within 180 days of submitting the plan, unless the Department grants a written waiver.

**6.6.7 Medicaid and Medicare Regulations:** The Board shall comply with applicable federal and state Medicaid and Medicare regulations, policies, procedures, and provider agreements. Medicaid non-compliance issues identified by Department staff will be formally communicated to the Department of Medical Assistance Services.

### **6.7 Human Resource Management Requirements, Policies, and Procedures**

**6.7.1 Statutory Requirements:** The Board shall operate a human resource management program that complies with state and federal statutes, regulations, and policies. The Board shall provide to the Office of Community Contracting in the Department a copy of:

1. the current position description, salary range and advertisement for the executive director's position, when it becomes vacant, for review, pursuant to § 37.1-197 of the *Code of Virginia*, which does not include Department



## SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities

approval of the selection or employment of a particular candidate for the executive director position;

2. the annually renewable contract, which includes performance objectives and evaluation criteria, for its executive director with this performance contract for the Department to ascertain compliance with § 37.1-197; and
3. the current position description or contract for the executive director with this performance contract for the Department's use in developing the minimum qualifications required by § 37.1-197.

**6.7.2 Policies and Procedures:** The Board's written human resource management policies and procedures must include a classification plan and a uniform employee pay plan and must address: benefits, progressive discipline (standards of conduct), professional conduct, employee ethics, compliance with the state Human Rights Regulations and the Board's local human rights policies and procedures, conflicts of interest, employee performance evaluation, equal employment opportunity, employee grievances, hours of work, leave, outside employment, recruitment and selection, transfer and promotion, termination and layoff, travel, initial employee orientation, examinations, employee to executive director and board of directors contact protocol, and on-the-job expenses. Policies must be reviewed and revised by its board of directors as necessary and at least every four years.

**6.7.3 Job Descriptions:** The Board must have written, up-to-date job descriptions for all positions that include identified essential functions, explicit responsibilities, and qualification statements, expressed in terms of knowledges, skills, and abilities as well as business necessity and bona fide occupational qualifications or requirements. Job descriptions must be reviewed and revised as necessary whenever the position becomes vacant, the classification plan is revised, or at least every two years.

**6.7.4 Grievance Procedure:** The Board's grievance procedure must satisfy § 15.2-1506 or -1507 of the *Code of Virginia*.

**6.7.5 Uniform Pay Plan:** The Board must adopt a uniform pay plan in accordance with § 15.2-1506 of the *Code of Virginia* and the Equal Pay Act of 1963.

**6.7.6 Department Review:** Employee complaints regarding the Board's human resource management practices will be referred back to the Board for appropriate local remedies. The Department may conduct a human resource management review to ascertain the Board's compliance with contract requirements and assurances, based on complaints or other information received about the Board's human resource management. If a review is done and deficiencies are identified, the Board shall submit a formal plan of correction to the Office of Human Resource Management and Development in the Department within 45 days of receipt of the official report of a review. Minor compliance issues must be

## **SFY 2003 Community Services Performance Contract for Operating CSBs and Behavioral Health Authorities**

corrected within 45 days of submitting the plan. Action to correct major compliance issues must be initiated within 45 days and completed within 180 days of submitting the plan, unless the Department grants a written waiver.

### **6.8 Information Technology Capabilities and Requirements:** The Board shall meet the following requirements.

**6.8.1 Hardware and Software Procurement:** Any hardware and software purchased by the Board with state-controlled funds shall be capable of addressing requirements established by the Department, including communications, compatibility, and network protocols and the reporting requirements in section 5.7. Such procurements may be subject to review and approval by the Office of Information Technology Services in the Department.

**6.8.2 Operating System:** The Board shall use or have access to an operating system that is compatible with or is able to communicate with the Department's NT network. The Board's computer network or system must be capable of supporting and running the Department's CARS-ACCESS software and should be capable of processing and reporting standardized consumer, service, outcome, and financial information based on documents listed in section 5.7.

**6.8.3 Electronic Communication:** The Board shall ensure that its information systems communicate with those used by the Department. Such integration shall provide file and data exchange capabilities for automated routines and access to legally-mandated systems via the TCP/IP networking protocol.

**6.8.4 Data Access:** The Board shall develop and implement or access automated systems that allow for output of fiscal, service, and consumer data, taking into consideration the need for appropriate security and confidentiality. Output shall be in a format prescribed by the Department. In addition to regular reports, such data may be used to prepare ad hoc reports on these consumers and services and to update Department files using this information. The Board shall ensure that its information systems meet all applicable state and federal confidentiality requirements, particularly concerning the distribution of identifying information, diagnosis, service history, and service use.

### **6.9 Licensing:** The Board shall comply with the current licensing regulations promulgated by the State Board. The Board shall establish a system to ensure ongoing compliance with applicable licensing regulations. Results of licensing reviews, including unannounced visits, scheduled reviews, and complaint investigations, shall be provided to all members of the Board in a timely manner.